



Corporate Headquarters
2609 Cameron Street
Mobile, AL 36607
ph: 800.829.6776
fax: 251.635.1206
email: rorso@gtl.net

Shelby County, TN Telephone Expansion and Contract Extension Proposal

Purpose – This proposal is to address the extensive inmate telephone expansion requested by Shelby County. GTL's purpose is to provide the equipment, materials and labor at no cost to the County and without reduction to the current telephone commissions and without any other changes to the current contract between Shelby County and GTL.

Background – This expansion and contract extension was discussed in a May 6, 2009 meeting with Jeff Yallope and Eric McClure of Shelby County and Robert Orso, Don Eades, Rick Pruitt, Philip Jones and Steve Yow of GTL. It was agreed that GTL would gather the total costs of the project in order to determine how many years the contract would need to be extended to cover GTL's capital investment. Rick Pruitt later conducted facility surveys with two perspective cabling contractors to ascertain the labor costs of the expansion. GTL has now completed the costs research and analysis and has included the project costs details in this proposal.

Extension Terms – The current contract has two one-year extensions (two years) remaining. GTL proposes to extend this contract for additional 3-years by amending the contract to reflect a 5 – year renewal/extension effective upon execution of the renewal amendment or agreement. GTL will begin working on the proposed expansion immediately upon execution of the agreement. All terms and conditions of the existing contract will remain in force and the commission percentage paid to the County will remain at 58% during the extension period.

Justification – The total estimated costs of the Shelby County Jail expansion and phone additions is \$219,136. In addition, GTL's monthly maintenance costs will increase due to the additional phones and hardware being on site. The initial equipment costs were amortized over the five years (3-years with 2, 1-year extensions) of the original contract. The current contract began in August 2006 and included the previous equipment platform originally installed by AT&T several years prior. In 2008 GTL replaced all of the previous AT&T equipment by installing its new LazerPhone system in all Shelby County jail locations. The new system is now integrated with the County's inmate management system to allow the automated feed and management of inmate PINs. Based on all reports, the new GTL system is performing to and beyond the County's expectations.

The requested 3 additional years will allow GTL to amortize its capital expense for the expansion over 3-years without any commission reductions to the current contract and without costs to Shelby County.

Cost of Expansion – The following pages contain the detailed equipment and labor costs for the proposed expansion.

Proposal Submitted by:
Robert Orso, Regional Account Manager, GTL